

VZCZCXRO6949  
PP RUEHCN RUEHGH RUEHVC  
DE RUEHHK #0983/01 1520322  
ZNY CCCCC ZZH  
P 010322Z JUN 09  
FM AMCONSUL HONG KONG  
TO RUEHC/SECSTATE WASHDC PRIORITY 7725  
INFO RUEHOO/CHINA POSTS COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 HONG KONG 000983

SIPDIS

DEPT FOR EAP/CM

E.O. 12958: DECL: 05/26/2024

TAGS: [PGOV](#) [PHUM](#) [CH](#) [MC](#)

SUBJECT: MACAU CHIEF EXECUTIVE ELECTION: BEIJING BLINKS?

REF: HONG KONG 499

Classified By: Consul General Joe Donovan for reasons 1,4 (b) and (d)

11. (C) Summary and Comment: Unless and until Macau Prosecutor General Ho Chio-meng throws his hat in the ring, it appears Secretary for Social Affairs and Culture Fernando Chui Sai-on has a lock on Macau's July Chief Executive election. Ho's entry would likely be a signal Beijing had decided he "should" win, but as the Chui campaign builds momentum, it grows increasingly difficult for Beijing to issue such a fiat with any finesse. That said, Ho polls well ahead of Chui among the general public. Secretary for Economy and Finance Francis Tam Pak-yuen seems out of the running, although a rumored appointment to the Macau Foundation would both distance him from any failings of a Chui administration and give him a platform to build his network through largesse. While at least one prominent "traditional association" has urged a multi-candidate race, the remaining announced contenders stand little chance of even being nominated. End summary and comment.

12. (U) Macau began the "election" process for its next Chief Executive (CE) May 25, with contenders able to obtain their nomination forms. Macau's 300-member election committee will begin the nomination process June 12, giving each member two weeks to cast his or her single nominating vote. A "campaign" period runs July 11-24, presumably to allow candidates the chance to sway those who did not support their nomination to change their vote for the election. The election committee will cast their actual ballots July 26. Beijing must then ratify the elected candidate. The new Chief Executive will take office December 20.

-----  
Macau Elites Throw Down...  
-----

13. (C) In what Macau Inter-University Institute (IIUM) scholar Jose Duarte called an "ultimatum" to Beijing, Macau's elite seem to have closed ranks behind former Secretary for Social Affairs and Culture Fernando Chui Sai-on for Macau's next CE. The red-blooded scion of one of Macau's most prominent "patriotic" business clans, Chui is seen as incumbent CE Edmund Ho Hau-wah's protege. Chui has long been tipped as a candidate, but his connection with vast cost overruns in preparations for the East Asian Games in 2005 have left him tainted with rumors of corruption. CE Ho's own corruption problems, caused by the prosecution of former Secretary for Transport and Public Works Ao Man-long, have further hurt Chui, reportedly in Beijing as well as Macau. That said, Chui's campaign is optimistically predicting it can lock up over 200 of the 300 nominating votes.

-----  
...and Beijing Gives Up?  
-----

14. (C) Our contacts report Beijing being of divided mind

about the Macau CE election. While Chui may be regarded as tainted goods, he does represent the choice of the Macau elite, and in any case can be expected to toe Beijing's line, particularly given the shorter leash he will have after the Ao Man-long scandal. Prosecutor General Ho Chio-meng, though viewed as personally clean and, as the man who brought down Ao, symbolic of Beijing's attitude regarding corruption, would be a tougher sell to Macau's business community. Ho is the most popular candidate on the street -- an informal (and unscientific) internet poll showed Ho leading Chui five to one among netizens. That said, our contacts are more ambivalent. IIUM scholar Eric Sautede told us working level contacts in the Prosecutor's office are neither impressed with nor fond of Ho. University of Macau (UM) professor and "Civic Power" leader Agnes Lam notes Ho's image is better than his substance. Other than prosecute Ao, she asks, what has he done? That said, Lam would support Ho over Chui, if only as the best of an indifferent lot.

15. (C) UM Government Professor Eilo Yu told us Ho will not run unless Beijing asks him to, with the implication that, if Ho does run, Beijing intends he win. Yu sees Ho as able to win support in the electoral committee from electors representing the professions and civil service. If Beijing were to back Ho, IIUM's Duarte contends, "it would have a fight on its hands." Admitting that Beijing could force the decision on Macau, Duarte nevertheless thinks the local establishment would demand a "high price" for their acquiescence. Comment: In addition, the longer Beijing waits, the more momentum will have built up behind the Chui campaign (which already boasts a staff of fifteen), and the harder it would be to make the move look like anything other

HONG KONG 00000983 002 OF 002

than a fiat. End comment.

16. (C) A scenario we have heard from Yu and Duarte is that Beijing might allow Chui one term, with an active effort to groom someone more suitable to run in five years. As a check on Chui, Ho would either serve as Secretary for Justice and Administration (SJA - the number two spot in the Macau Administration) or remain as Prosecutor General. IIUM's Sautede countered that the SJA position is a weak one in the government despite its rank, since it controls no big budget resources or sectors of the economy.

-----  
Francis Tam: Greener Pastures?  
-----

17. (C) Once considered a serious contender for the CE post, Secretary for Economy and Finance Francis Tam Pak-yuen seems likely to remain on the sidelines for this election. He has not resigned from his post, a requirement were he to stand for elections, and there are no indications he will. IIUM's Duarte reported both that Tam had unspecified "health problems" and that Tam was personally not interested in the CE job, although other contacts had previously suggested he was in the running (reftel). UM's Yu told us Tam is tipped to take over the Macau Foundation, the government-supported grant-giving organization which provides financial support to most of Macau's social organizations. If this is the case, it's an excellent move for Tam should he have further political ambitions. From that post, his fortunes would seem to be distanced from whatever administration takes office, but he would nonetheless be able to build a contact network and gain popularity through the Foundation's grants.

-----  
Charge of the Light Brigade  
-----

18. (C) Media reports have covered extensively polling data showing corruption is the number one issue on the minds of Macau residents when considering a new Chief Executive, and Chui made dealing with the issue a core campaign promise.

That said, while neither criticizing Chui directly nor endorsing another candidate, Macau's Federation of Neighborhood Associations (UGAMM in Portuguese) has publicly called for more candidates to join the race. An ad hoc coalition of citizens also sponsored a half-page advertisement in Hong Kong's pro-democracy Apple Daily May 26, which criticized Macau corruption and business-government collusion, including the East Asian Games issue but not naming Chui. Another group of citizens sent letters containing 3-inch razor blades to Hong Kong's centrist Sing Tao and Ming Pao newspapers. The senders declared their willingness to use "suicide protests" against a "big clan" controlling the CE-ship. Organizers of the Apple Daily advert denied involvement in the letters, theorizing that the simplified characters used in the letters sent to the papers indicated the senders were likely unemployed recent immigrants from the Mainland.

19. (C) That said, those who have actually taken steps to run are no competition for Chui, and are unlikely even to be nominated. Media report they include:

-- Lei Kuong-on: A Chinese Medicine doctor who also launched a failed bid to challenge CE Ho in 2004;

-- Ng Loi-in: An admitted humble croupier who nevertheless hopes to do something "extraordinary" for Macau. His plans include establishing a "red light district" for the territory;

-- The mysterious "Mr. Loi": A gentleman who gave only his surname and mentioned a connection to Macau's Kiang Wu hospital. Loi fled election commission premises to avoid being photographed; and

-- Ms. Lao Sao-in: A kindergarten teacher who bills herself as a "mother of education", who hopes to have Macau society focus on something more than gambling.  
DONOVAN